

**SUMMARY OF PROPOSED COMMITTEE DRAFT:**

**Resolution 19-74 -  
ESTABLISHING MINIMUM QUALIFICATIONS FOR THE CITY COUNCIL'S  
APPOINTEES TO THE BOARD OF THE HONOLULU AUTHORITY FOR RAPID  
TRANSPORTATION AND URGING THE CITY ADMINISTRATION TO ADOPT  
SIMILAR QUALIFICATIONS FOR THE MAYOR'S APPOINTEES TO THE BOARD.**

**The PROPOSED CD1 makes the following amendments:**

- A. In the 1<sup>st</sup> BE IT RESOLVED clause, revises the required experience to read:  
"At least five years of senior leadership experience in mass transit, rail,  
construction, engineering, business administration, financial management, law,  
or similar industry relevant to the Rail Project"
- B. Makes miscellaneous technical and nonsubstantive amendments.



# CITY COUNCIL

CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII

No. 19-74, CD1

**PROPOSED**

## RESOLUTION

ESTABLISHING MINIMUM QUALIFICATIONS FOR THE CITY COUNCIL'S APPOINTEES TO THE BOARD OF THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION AND URGING THE CITY ADMINISTRATION TO ADOPT SIMILAR QUALIFICATIONS FOR THE MAYOR'S APPOINTEES TO THE BOARD.

WHEREAS, pursuant to Section 17-103 of the Revised Charter of the City and County of Honolulu 1973 (2017 Edition) ("Charter"), the Honolulu Authority for Rapid Transportation ("HART") is responsible for the development of the City's planned fixed-guideway transit system, known as the Honolulu High-Capacity Transit Corridor Project ("Rail Project"); and

WHEREAS, the Rail Project is a planned 20.1-mile fixed-guideway rail transit system extending from East Kapolei to the Ala Moana Shopping Center; and

WHEREAS, Charter Section 17-104 provides for the composition and appointment of a ten-member board ("HART Board"), consisting of nine voting members and one non-voting member, as follows: three members appointed by the Mayor, three members appointed by the City Council ("Council"), the Hawaii State Director of Transportation, the City Director of Transportation Services, a ninth member chosen by the other eight voting members, and the Director of Planning and Permitting serving as the one ex-officio non-voting tenth member; and

WHEREAS, amid sharply escalating costs, project delays, funding shortfalls, and changing contractors for the construction of the Rail Project, the management, administration, and oversight of HART has come into question, particularly in connection with issues raised by:

- (1) The delay in approval of the payment to HART of the balance of the \$1.55 billion total federal funding committed to the Rail Project by the Federal Transit Administration pursuant to the 2012 Full Funding Grant Agreement, in the remaining amount of \$744 million;
- (2) The issuance of two audits by the Hawaii State Auditor (*Report No. 19-03* on January 10, 2019 and *Report No. 19-04* on January 15, 2019) and two audits by the City Auditor (*Audit of the Honolulu Authority for Rapid Transportation* on April 15, 2016, and *Follow-Up Audit of the Honolulu Authority for Rapid Transportation, Resolution 17-199, CD1* on January 18, 2019), describing deficiencies in HART administration and questionable management decisions for the Rail Project; and



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- (3) The service on HART in January 2019 of three federal Subpoenas to Testify Before a Grand Jury, requesting documentation of various aspects of HART's handling of the Rail Project, including documents relating to RAIL Project construction, contractors, relocation expenses, real estate acquisition, and HART Board of Directors meeting minutes, among other things; and

WHEREAS, on March 8, 2019, the Council adopted Resolution 19-29, FD2, supporting the initiation of an independent forensic audit of HART's operations, procurement, contract award, and administration; and the City's procurement, award, and administration of Rail Project contracts; to be conducted by an independent auditor to be selected and paid for by the Office of the City Auditor, to ensure that no City or HART employee, consultant, or contractor exploited the City's or HART's internal control weaknesses to misappropriate public assets or commit other illegal actions; and

WHEREAS, restoring and maintaining the public trust and confidence in HART, the HART Board, and the Rail Project is of the utmost importance; and

WHEREAS, the Council finds that appointing HART Board members with qualifications and experience relevant to the Rail Project will increase the likelihood that the HART Board will be able to effectively carry out its duties; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it establishes the following minimum qualifications for a candidate for appointment to the HART Board as a Council appointee:

- (1) At least five years of senior leadership experience in mass transit, rail, construction, engineering, business administration, financial management, law, or similar industry relevant to the Rail Project; and
- (2) A bachelor's degree, master's degree, or doctorate from an accredited college or university in engineering, law, accounting, business administration, public administration, or other discipline relevant to the Rail Project; or a combination of education and work experience substantially equivalent to such a bachelor's degree; and

BE IT FURTHER RESOLVED that the Council strongly urges the City Administration to adopt similar qualifications for the Mayor's appointees to the HART Board; and



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BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Mayor, the Managing Director, the Chair of the Board of the Honolulu Authority for Rapid Transportation, the Executive Director and Chief Executive Officer of the Honolulu Authority for Rapid Transportation, and the Director of Transportation Services.

INTRODUCED BY:

Kymberly Pine

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DATE OF INTRODUCTION:

March 20, 2019  
Honolulu, Hawaii

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Councilmembers